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## THE WHITE HOUSE

WASHINGTON

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Declaring "one of the highest priorities of this

Administration is significant and lasting improvement in

management of the federal government," Presidential Counsellor

Edwin Meese announced the Reagan Administration will increase its

efforts to reduce waste, fraud and abuse and to restructure the

management and administrative systems of the federal government.

"This all began when the President formed his Council on Integrity and Efficiency in early 1981 and asked OMB to take an active role to improve management of the federal government," Meese said. "Very impressive results have occurred -- and now we're upgrading and expanding the effort."

The new effort is called "Reform '88," since it is anticipated it will take at least <u>six years to complete</u>. The program will be coordinated by the White House with oversight by the newly-established Cabinet Council on Management and Administration. It will be implemented in the departments and agencies through the President's Task Force on Management Reform.

"Our vision, and part of the legacy this Administration will leave the American people, is a federal government operating in a businesslike manner," Meese said. "This means nothing less than a government that provides essential public services of high quality as efficiently as possible."

According to Joseph R. Wright, Deputy Director, OMB, who will direct the Reform '88 oversight activities of the Cabinet Council, although the federal budget has doubled just since 1976 and grown nearly 700 percent in the past twenty years, size of government is but one factor in the equation. He cited the combination of explosive growth, poor planning and antiquated systems as responsible for a government "largely characterized by inefficient operations based on incomplete and incompatible information."

He stated that there are over 2,000 programs administered by 153 units of the federal government, including cabinet departments, independent agencies and corporations, and regulatory agencies. Sixty agency heads report directly to the President.

"The result is a morass of systems that are frequently incompatible, redundant or obsolete," Wright said. Highlighted as examples are the 350 different payroll systems, 325 separate accounting systems, 1,750 operating personnel offices and more than 2,300 administrative payment centers throughout the country, processing more than 700 million documents annually.

"Previous administrations' efforts at management improvement have met with varying degrees of success, but they have not generally continued as permanent, government-wide initiatives," Wright said.

"While much of the foundation for permanent improvement has been laid by previous efforts of this Administration, this new direction is unique in that it is aimed at bringing these and other management initiatives together in a centrally planned and coordinated effort," Wright continued.

The Task Force, comprised of 33 senior federal managers from 13 agencies detailed to the Office of Management and Budget expressly for this purpose, will work closely with the management division of OMB that has been working on this effort to date and with managers in the agencies to identify and develop model systems and apply their principles to those systems that are inefficient. It will examine administrative systems in the budget and financial, property, personnel, and management information areas. Martha O. Hesse has been named Executive Director of the Task Force. Larry Byrne is Deputy Executive Director; Jack Lichtenstein is Communications Director; Guy Chamberlin, Howard Messner and Seymour Greenstone serve as senior advisors.

Among previous efforts cited by the Administration are those of its Inspectors General, who, through the President's Council on Integrity and Efficiency, are credited with savings and improved use of federal funds in agencies totaling over \$5.8 billion during the first 6 months of FY 1982; those in debt collection where \$1.5 billion in additional debt recoveries are expected this year; and those in periodicals, pamphlets and audiovisual products where strict internal controls are expected to result in a nearly 15 percent reduction in total amount spent, or \$20 million in 1983-85.

Meese said the effort has the "complete and enthusiastic support of the President, who does not view himself as simply a caretaker of this public trust but considers improvement of government a major focus for the Administration. The Task Force will not be aimed at doing different things, but at doing things differently...doing them better."